

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:547
ANSWERED ON:02.03.2007
LOAN TO FARMERS
Paraste Shri Dalpat Singh

Will the Minister of FINANCE be pleased to state:

- (a) whether any request have been made by the Union Government to write off agricultural loans of the farmers;
- (b) if so, the names of the States which have written off the agricultural loan during last three years along with the amount, State-wise; and
- (c) the number of farmers benefited as a result thereof and the total amount involved therein?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI PAWAN KUMAR BANSAL)

(a) to (c) : Union Government has not waived off any agricultural loans in the recent past. However, on 18.06.2004 Government announced a Farm Credit Package which envisaged debt relief to farmers by way of reschedulement of loans with a moratorium period and 'One Time Settlement scheme for small and marginal farmers. The farmers availing the benefit of the debt relief were eligible for fresh loans from the banks. Further, in 31 debt stressed districts in the four states of Maharashtra(06), Andhra Pradesh (16), Karnataka(06) and Kerala(03) the relief package announced for farmers does not envisage waiver of principal amount. It provides that the entire interest on overdue loans as on 01.07.2006 will be waived such that all farmers will have no past interest burden as on that date. This will immediately make them eligible for fresh loan from the banking system. Further, the overdue loans of the farmers as on 01.07.2006 will be rescheduled over a period of 3-5 years with a one year moratorium.